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Mayor Matti Herrera Bower and Members of the City Commission

FROM:

Jorge M. Gonzalez, City Manager

DATE:

March 13, 2012

SUBJECT: Short-Term Rentals - Citywide and within the Flamingo Park Historic District

This Letter to Commission is intended to provide you with an update and status report on the Short-Term Rentals (STR) Initiative, as requested by the Land Use and Development Committee (LUDC). The LUDC requested an update on ongoing efforts by the Code Compliance Division in dealing with the increasing number, of illegal and unauthorized short-term rental properties throughout the City and within the Flamingo Park Historic District in particular.

Beginning in January 2011, the Code Compliance Division established a Short-Term Rental Team (STRT) composed of Code Compliance Officers (CCOs) from each of the major Districts (South, Middle, North zone boundaries). The focus of the STRT was to address the increasing number of unauthorized and illegal short-term rentals within residentially zoned areas. The activities inherently increase the transient rate and can result in an increase in related ancillary code violations such as illegal commercial use, noise violations, sanitation, property maintenance and many others. These violations can adversely impact the quality of life for the City's neighborhoods and residents.

Since March 2011, City staff from the Planning Department and the Code Compliance Division of the Building Department has met with a number of community leaders from various neighborhoods, and the Flamingo Park Neighborhood Association in particular. As a result of these meetings, information regarding STR usage, deployment of resources, as well as enforcement tactics have been re-assessed and successfully implemented.

During Calendar Year 2011 (January 1, 2011 to December 31, 2011), the Code Compliance Division issued a total of 77 violations for illegal short-term rentals, of which sixty-five (65) were heard or are pending a hearing at Special Master. Their breakdown is as follows:

- > Twelve (12) violations achieved compliance within the specified time period and thus have been closed.
- Forty-four (44) violations were upheld (adjudicated) at Special Master.
- > Seven (7) violations were dismissed by the Special Master.
- > Currently, there are fourteen (14) violations pending a hearing at Special Master.

As it relates to the Flamingo Park Historic District, a geographic area bounded by 6<sup>th</sup> Street to the South, North Lincoln Lane to the North, Collins Avenue to the east, and Alton Road to the West, a detailed data analysis reflects the following:

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- Six (6) violations were upheld (adjudicated) at Special Master.
- ➤ Ten (10) properties have been issued Notice of Violations (NOVs) and are pending a hearing or have received a continuance at Special Master.
- ➤ Eleven (11) complaints have been received and are still under investigation by the STRT for short-term rentals in the Flamingo Park Historic District.

In addition to these efforts, and as suggested by the Flamingo Park Historic District area neighbors, the City has developed an aggressive outreach and educational campaign regarding the regulations and processes governing short-term rentals for multi-family units. For example, articles regarding short-term rental restrictions have been and will continue to be highlighted in the City's MB Magazine. In the Winter 2011 edition, an article raised the reader's curiosity, pointing out that if adjacent neighbors moved in and out often, it could be a violation of Land Development Regulations (Chapter 142 – Article IV of the City Code of Ordinances). Additional articles will be included in future issues of MB Magazine. MB Currents and MB Al Dia on MBTV are currently airing an informational show on short term rentals.

The Administration is working to include information and multiple links on the City's website to inform and educate businesses, residents and potential visitors regarding short-term rental restrictions, including a link where the Business Tax Receipt (BTR) for a licensed transient use business can be checked.

Other educational efforts include reaching out to the Miami Beach Realtor's Association, the Greater Miami Realtor's Association, and other vacation rental industry businesses (such as Trip Advisor), to inform them of the City's transient use regulations. Lastly, Code Compliance is also in the process of forwarding a friendly reminder to any multi-family use location with two or more units within the Flamingo Park Historic District of license and regulatory requirements of our City's ordinance.

This educational effort is not only targeted to the Flamingo Park area but city-wide through the use of the City's web portal. The City's web portal will have a link containing educational short-term rental "do's and don'ts" along with a telephone number that will allow callers to confirm whether the short-term rental property is duly licensed by the City of Miami Beach. There is a similar and very successful effort implemented by the City of Key West.

Should you have any questions regarding this matter, please contact Robert Santos-Alborná, Code Compliance Division Director, at (305) 673-7000, ext. 6684.

JMG/JGG/SS/KT/RSA